

## **TECHBOND GROUP BERHAD**

### **BOARD DIVERSITY POLICY**

#### **1. Purpose**

The Board Diversity Policy (“the Policy”) sets out the approach by the Board of Directors of the Company on board diversity.

#### **2. Scope of Application**

The Policy applies only to the Board and does not apply to diversity in relation to employees of the Group.

#### **3. Policy Statement**

The Company recognises the benefits of having a diverse Board and views diversity in the Board as a means of obtaining diverse perspective required to support the execution of its business strategy and so as to enable it to discharge its duties and responsibilities effectively. A truly diverse Board will include and use differences in skills, regional and industry experiences, background, race, gender and other qualities. These differences will be considered in determining the optimum composition of the Board and to achieve balance.

All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective and does not discriminate on the grounds of race, gender, disability, ethnicity, religious or philosophical belief, age, sexual orientation, family status, cultural background, communication styles, linguistic skills, educational background, functional expertise or any other factors the Board considers relevant or applicable. The Board believes that such merit-based appointments best enable the Company to serve its customers, shareholders and other stakeholders. The Board sets, as its policy, that it shall have at least one woman director on the Board.

The Board Nomination Committee (“the Committee”) reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. In carrying out this duty the Committee will give due consideration to this Policy as well as the best practices advocated under the Malaysian Code on Corporate Governance.

The Committee also oversees the conduct of the annual review of Board effectiveness. As part of the annual assessment on the effectiveness of the Board, Board Committees and individual directors, the Committee will consider the balance of skills, experience, independence and knowledge of the directors, the diversity representation of the Board and how the Board works together as a unit.

The Board as a whole is responsible for reviewing the succession plan for the directors of the Company inclusive of the Chairman of the Board, the Managing Director and the Chief Executive Officer.

**4. Monitoring and Reporting**

The Committee will report, in the Corporate Governance Statement of the Company's Annual Report, on the process it has used in relation to Board appointments, should there be any appointments.

**5. Tenure of Director**

The tenure of an independent director should not exceed a cumulative term of nine years. Upon completion of the nine years term, an independent director may continue to serve on the Board subject to the director's re-designation to that of non-independent director.

Should the Board wish to retain a director as an independent director it shall undertake a rigorous review to determine whether the "independence" of the director has been impaired, justify and seek annual shareholders' approval.

**6. Review of the Policy**

The Committee will review the Policy annually inclusive of an assessment on the effectiveness of the Policy. The Committee will consider the revisions necessary and recommend such revision to the Board for approval.

This Board Diversity Policy was reviewed by the Board of Directors on 9 October 2019.